

TESTIMONY

of the

CONNECTICUT CONFERENCE OF MUNICIPALITIES

to the

INSURANCE & REAL ESTATE COMMITTEE

January 25, 2011

CCM is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent over 93% of Connecticut's population. We appreciate this opportunity to provide testimony to you on issues of concern to towns and cities.

S.B. 13 "An Act Concerning Copayments for Drugs"

This proposal would prohibit individual health insurance policies and group medical contracts covering prescription drugs from imposing different copayments for prescriptions based on where the prescription is filled (i.e., retail v. mail-order pharmacy).

CCM opposes S.B. 13.

In an identical bill from last session (S.B. 15), the non-partisan Office of Fiscal Analysis (OFA) estimated that such a proposal could increase costs to certain fully insured municipal plans which offer discounted copayments for prescriptions filled through the mail-order pharmacy in comparison to the local retail pharmacy, such as the Municipal Employees Health Insurance Plan, (MEHIP). The OFA identified this proposal last year (2010, File No. 3) as a "STATE MANDATE" on municipalities - and it is still a state mandate proposal this year on towns and cities.

Faced with local layoffs, concessions, and major cutbacks, the General Assembly should not be proposing any new, unfunded state mandates on their hometowns.

CCM urges the committee to oppose S.B. 13.

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If you have any questions, please contact Bob Labanara of CCM at <u>rlabanara@ccm-ct.org</u>.